7. The Chemical Industry.

381 433 To the chemical industry in 1937 accrued 4.3% of the industrial workers; 2.3% of the engine horse-power; 4.9% of the gross value; and 6.3% of the net value of Lithuania's industrial production. In pre-war Lithuania there were only two match factories and one fertilizer factory; other branches were almost non-existent. In independent Lithuania many new undertakings are springing up. The development of separate branches proceeds, however, unequally, as we can gather from the following data:

[464]

	1927		1931			1937		
	No. of Concerns	No. of Workers	No. of Concerns	No. of Workers	Capacity of Engines in H. P.	No. of Concerns	No. of Workers	Capacity of Engines in H. P.
Total	49	885	48	724	1 244	48	1 344	2 848
Including:								
Match Production	5	326	2	158	213	1	52	140
Soap Production	15	174	15	189	118	12	158	362
Rubber Goods	—	—	—	—		1	620	
Fertilizer Factories	2	109	1	130		1	141	
Colours, Turpentine and Technical Fats	7	69	10	66	913	14	151	2 346
Pharmaceutical and Cosmetic Production	4	30	6	47		9	98	

464 The sharpest decline in the number of undertakings and workers is shown by the match industry. The curtailment in 1931 to two concerns with 158 workers against five undertakings with 326 workers in 1927 may be ascribed to the [655] creation in 1930 of the State Match Monopoly and the transfer [473] of the same to the „Lietuvos degtukų akcinė bendrovė" (Lithuanian Joint-stock Match Company) founded with Swedish capital. The still lower position in 1937 was occasioned by the decrease in consumption, which in the analysis of production 388 will be more closely discussed. The staffs of the soap factories 389 show a slight reduction. The number of the workers employed 464 in the Memel Fertilizer Factory has since 1931 only slightly increased.

increased. Against this, the number of concerns and of workers in the colours and technical fats industry since 1927 has doubled and in the production of pharmaceutical and cosmetic goods trebled. The establishment of a rubber goods factory in 1933 had, however, decisive importance, and to this nearly half of the workers employed in the chemical industry pertained. The second rubber goods factory, established at the end of 1937, was not yet working in the period under review.

The following quantity figures show the development of production of separate branches of the chemical industry for the period 1931—1937:

	1931	1932	1934	1935	1936	1937
Matches (in million boxes)	45.8	43.3	39.4	41.1	8.7	14.3
Washing soap and powder (in tons)	3 441	2 226	2 072	2 303	2 595	2 794
Toilet soap (in tons)	·	154	200	200	234	230
Rubber boots (in 1000 pairs)	—	—	772	313	786	986
Superphosphates (in tons)	43 400	37 000	47 100	31 605	18 713	42 972

As has already been explained above, the cutting down of match production has been caused by the decline in consumption during the crisis years. The statistics of sale of matches prove this in a clearer manner. There have been sold (in million boxes):

1931	1932	1933	1934	1935	1936	1937
45.9	42.4	39.4	33.8	26.9	26.9	27.1

The output of washing-soap, which shrank appreciably during the crisis years, has not yet regained the pre-crisis position in spite of recovery during the last three years. The production of toilet-soap shows a better course. The production of artificial fertilizers proceeds irregularly, and its progress does not coincide with the contingent economic development. A sharply upward tendency is seen in the production of the youthful rubber industry. The recession in 1935 was evoked by technical difficulties of the inception period.

In order to be able to form a general idea of the production development of the chemical industry, we must utilize the value

381 433 amounts. The production index of the chemical industry, calculated in this manner and already cited in the previous chapter, shows, converted to the standard of the basis year 1931, the following course:

1931	1932	1934	1935	1936	1937
100.0	93.6	146.2	131.0	146.3	171.0

The recession in 1932 was induced chiefly by the decline of soap and fertilizer production. The jump in 1934 was prompted by the foundation of the rubber goods factory in the preceding year. The setback in 1935 was caused by the repeated shrinkage of fertilizer production and the transitory stagnation of rubber goods production.

8. The Leather and Hide Industry.

282 433 464 In the leather and hide industry in 1937, 1 096 workers or 3.5% of the total number of industrial workers were employed. Its percentage share in the volume of engine horse-power amounted to 1.8%; the share in gross production value 4.3%; and in net value of the industrial production of Lithuania, 2.2%. The lower net value rate is due to the high raw material share.

In pre-war Lithuania the leather industry employed nearly 1 500 workers. The present position is therefore, notwithstanding the growth during recent years, still below the pre-war level. On the other hand, more collateral branches are springing up which did not formerly exist, such as fur manufacture, leather ware production, and the bristle industry. Structural variations since 1927 are illustrated in the following comparison:

	1927		1931			1937		
	No. of Concerns	No. of Workers	No. of Concerns	No. of Workers	Capacity of Engines in H. P.	No. of Concerns	No. of Workers	Capacity of Engines in H. P.
Total	40	657	36	693	2 617	51	1 096	2 313
Including: Leather Output	26	538	22	555	·	22	751	·
Leather Ware Production	1	6	5	29	·	11	78	·
Fur Manufacture	1	5	—	—	—	4	107	·
Bristle Industry	4	43	6	53	·	9	112	·